

DEC 01 1999

**FEDERAL ELECTION COMMISSION**  
999 E Street, N.W.  
Washington, D.C. 20463

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COMMISSION  
SECRETARIAT

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**FIRST GENERAL COUNSEL'S REPORT**

**SENSITIVE**

RAD REFERRAL: 99NF-12  
DATE ACTIVATED: August 25, 1999

EXPIRATION OF STATUTE  
OF LIMITATIONS: April 15, 2003<sup>1</sup>  
STAFF MEMBER: Lawrence Calvert  
Clinett Short

SOURCE: INTERNALLY GENERATED

RESPONDENTS: Manor Healthcare Corp. Federal Political Action Committee  
and Frank Jannazo, as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(1)  
2 U.S.C. § 434(a)(4)(A)(i) & (iii)  
11 C.F.R. § 104.14(a)

INTERNAL REPORTS CHECKED: Disclosure Reports  
Referral Material  
Statements of Organization

FEDERAL AGENCIES CHECKED: None

**I. GENERATION OF MATTER**

The Office of the General Counsel received a referral from the Reports Analysis Division ("RAD") on June 29, 1999. The basis of the referral is the failure of the Manor Healthcare Corp. Federal Political Action Committee, and Frank Jannazo, as treasurer, to file timely its 1998 April

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<sup>1</sup> April 15, 2003 is five years after the due date for the first report that is the subject of this referral. In addition to this report, the Committee filed four more reports late. The statute of limitations date for the last report filed late in this matter is January 31, 2004.

Quarterly Report, 1998 July Quarterly Report, 1998 October Quarterly Report, 1998 30 Day Post-General Report, and the 1998 Year End Report during the 1997-1998 election cycle.

## **II. FACTUAL AND LEGAL ANALYSIS**

Based on the Factual and Legal Analysis, this Office recommends the Commission find reason to believe the respondents violated 2 U.S.C. § 433(c), 2 U.S.C. § 434(a)(4)(A)(i) & (iii) and 11 C.F.R. § 104.14(a). See Attachment 1.

## **III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY**

This Office also recommends that the Commission offer to enter into conciliation with the respondents prior to a finding of probable cause to believe. Attached for the Commission's approval is a proposed conciliation agreement. Attachment 2.

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#### IV. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe the Manor Healthcare Corp. Federal Political Action Committee and Frank Jannazo, as treasurer, violated 2 U.S.C. §§ 434(a)(1), (a)(4)(A)(i), and (a)(4)(A)(iii), and enter into conciliation prior to a finding of probable cause to believe.
3. Approve the attached Factual and Legal Analysis and conciliation agreement, and the appropriate letter.

Lawrence M. Noble  
General Counsel

11/30/99  
\_\_\_\_\_  
Date

BY:   
\_\_\_\_\_  
Lois G. Lerner  
Associate General Counsel

**Attachments:**

1. Factual and Legal Analysis
2. Proposed agreement